SPONSOR: Rep. B. Short & Sen. Bushweller
Reps. Baumbach, J. Johnson, Keeley; Sen. Henry

HOUSE OF REPRESENTATIVES
149th GENERAL ASSEMBLY

HOUSE BILL NO. 147

AN ACT TO AMEND TITLE 18 OF THE DELAWARE CODE RELATING TO FEES AND CHARGES COLLECTED BY THE INSURANCE DEPARTMENT.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE (Three-fifths of all members elected to each house thereof concurring therein):

Section 1. Amend § 701, Title 18 of the Delaware Code by making deletions as shown by strikethrough and insertions as shown by underline as follows:

§ 701. Fee schedule.

Except as provided herein or otherwise by law, the Commissioner shall collect, in advance, fees, costs and miscellaneous charges as follows:

(1) Insurer's certificate of authority.

a. For filing application for initial certificate of authority including all documents submitted as part of such application ~~$700~~$1,000

b. Issuance of certificate of authority ~~100~~150

c. Annual continuation ~~100~~150

d. Reinstatement (§ 518 of this title) ~~100~~150

e. Amendment to include or delete lines of authority ~~100~~150

The fee for a duplicate or replacement certificate issued under this title shall be the same as required for an original certificate.

(2) Dental plan organization license (§ 3804 of this title).

a. Original license ~~100~~150

b. Annual continuation ~~100~~150

(3) ~~Health maintenance organizations license (Regulation 58 §§ 5 and 6).~~Managed care organizations license (§ 6404 of this title).

a. Original license 500

b. Annual continuation ~~100~~ 150

(4) Fraternal associations (§ 6227 of this title).

a. Original license ~~25~~100

b. Renewal ~~25~~100

c. Annual statement ~~25~~100

(5) Insurance premium finance company (§ 4802 of this title).

a. Original license ~~300~~500

b. Annual continuation ~~300~~500

(6) Rating organization license.

a. Application for original license and issuance of license, if issued ~~100~~150

b. Annual continuation ~~100~~ 150

(7) Risk retention group.

a. Initial registration ~~100~~150

b. Annual continuation ~~50~~150

(8) Risk purchasing group.

a. Initial registration ~~100~~ 150

b. Annual continuation ~~50~~ 150

(9) Accredited reinsurer.

a. Initial registration ~~100~~ 150

b. Annual continuation ~~100~~ 150

(10) Surplus lines insurer.

a. Initial registration ~~100~~ 150

b. Annual continuation ~~100~~ 150

(11) Captive insurer.

a. Application fee ~~200~~300

b. Annual continuation ~~300~~ 400

(12) Reinsurance intermediary.

a. Initial license ~~100~~250

b. Annual continuation ~~50~~ 100

(13) Solicitation permit application, filing.

a. For initial financing 250

b. For subsequent filing 100

(14) Charter documents (other than those filed with application for certificate of authority). Filing amendments to certificate of incorporation, or articles of incorporation, or charter, or bylaws, or power of attorney (as to reciprocal insurers) or to other constituent documents of the insurer 10

(15) Annual statement filing of insurer ~~100~~150

(16) Registration statement of insurance holding company or member of insurance holding company system, filing.

a. Annual registration statement filing ~~50~~100

b. Each amendment thereof ~~10~~100

(17) Form A filing ~~100~~1,000

(18) Copies of documents on file in the Department, ($.~~25~~ 50 per page) minimum 5

(19) Certifying and affixing official seals ~~5~~10

(20) Certified copy of insurer certificate of authority or of any license issued under this title 10

(21) Rate changes or deviations 100

(22) Service of process, acceptance.

Against unauthorized persons and insurers under Chapter 21 of this title 25

(23) Insurance producer (§ 1702(i) of this title), limited line credit insurance producer (as defined in § 1702 of this title), limited lines producer (as defined in § 1702 of this title) and miscellaneous limited lines producer (§ 1708(f) of this title).

a. Initial license (resident and nonresident) ~~75~~100

b. Resident license renewal (due biennially February 28 in even years beginning February 28, 2004) ~~50~~100

c. Resident insurance producer's, limited line credit insurance producer's, limited lines producer's initially licensed within 90 days prior to the renewal deadline of February 28 (December 1-February 28) are not subject to the renewal fee for that specific biennial renewal period referenced in paragraph (23)(b) of this section.

d. Nonresident license renewal (due biennially February 28 in odd years beginning February 28, 2003) ~~75~~100

e. Nonresident producer's, nonresident limited line credit insurance producer, nonresident limited lines producer and nonresident miscellaneous limited lines producer's initially licensed within 90 days prior to the

renewal deadline of February 28 (December 1-February 28) are not subject to the renewal fee for that specific biennial renewal period referenced in paragraph (23)d. of this section.

f. One-time appointment of insurance producer, limited line credit insurance producer, limited lines producer and miscellaneous limited line producer (§ 1715 of this title), each insurer ~~25~~50

(24) Amendments to license issued under Chapter 17 of this title ~~10~~25

(25) Surplus lines broker (§ 1912 of this title):

a. Initial license (resident and nonresident) ~~200~~250

b. Resident license renewal (due biennially February 28 in even years beginning February 28, 2004) ~~100~~200

c. Resident surplus lines broker's initially licensed within 90 days prior to the renewal deadline of February 28 (December 1-February 28) are not subject to the renewal fee for that specific biennial renewal period referenced in paragraph (25)b. of this section.

d. Nonresident license renewal (due biennially February 28 in odd years beginning February 28, 2003) ~~125~~200

e. Nonresident surplus lines broker's initially licensed within 90 days prior to the renewal deadline of February 28 (December 1-February 28) are not subject to the renewal fee for that specific biennial renewal period referenced in paragraph (25)d. of this section.

(26) Fraternal representative (§ 1702(g) of this title):

a. Initial license (resident and nonresident) ~~75~~ 100

b. Resident license renewal (due biennially February 28 in even years beginning February 28, 2004) ~~50~~ 100

c. Resident fraternal representative's initially licensed within 90 days prior to the renewal deadline of February 28 (December 1-February 28) are not subject to the renewal fee for that specific biennial renewal period referenced in paragraph (26)b. of this section.

d. Nonresident license renewal (due biennially February 28 in odd years beginning February 28, 2003) ~~75~~ 100

e. Nonresident fraternal representative's initially licensed within 90 days prior to the renewal deadline of February 28 (December 1-February 28) are not subject to the renewal fee for that specific biennial renewal period referenced in paragraph (26)d. of this section.

f. One-time appointment of fraternal representative (§ 1715 of this title), each society or association ~~25~~50

(27) Adjuster (§ 1702(a) of this title):

a. Initial license (resident and nonresident) ~~75~~ 100

b. Resident license renewal (due biennially February 28 in even years beginning February 28, 2004) ~~50~~ 100

c. Resident adjuster's initially licensed within 90 days prior to the renewal deadline of February 28 (December 1-February 28) are not subject to the renewal fee for that specific biennial renewal period referenced in paragraph (27)b. of this section.

d. Nonresident license renewal (due biennially February 28 in odd years beginning February 28, 2003) ~~75~~ 100

e. Nonresident adjuster's initially licensed within 90 days prior to the renewal deadline of February 28 (December 1-February 28) are not subject to the renewal fee for that specific biennial renewal period referenced in paragraph (27)d. of this section.

(28) Motor vehicle appraiser (§ 1702(c) of this title):

a. Initial license (resident and nonresident) ~~75~~ 100

b. Resident license renewal (due biennially February 28 in even years beginning February 28, 2004) ~~50~~ 100

c. Resident motor vehicle appraiser's initially licensed within 90 days prior to the renewal deadline of February 28 (December 1-February 28) are not subject to the renewal fee for that specific biennial renewal period referenced in paragraph (28)b. of this section.

d. Nonresident license renewal (due biennially February 28 in odd years beginning February 28, 2003) ~~75~~ 100

e. Nonresident motor vehicle appraiser's initially licensed within 90 days prior to the renewal deadline of February 28 (December 1-February 28) are not subject to the renewal fee for that specific biennial renewal period referenced in paragraph (28)d. of this section.

(29) Apprentices (§ 1702(d) of this title) and temporary insurance producer (§ 1711 of this title)

License (initial) ~~25~~50

(30) Viatical settlement provider (§ 7502(7) of this title):

a. Initial license (resident and nonresident) ~~150~~250

b. Resident license renewal (due biennially February 28 in even years beginning February 28, 2004) ~~150~~250

c. Resident viatical settlement provider's initially licensed within 90 days prior to the renewal deadline of February 28 (December 1-February 28) are not subject to the renewal fee for that specific biennial renewal period referenced in paragraph (33)b. of this section.

d. Nonresident license renewal (due biennially February 28 in odd years ending in the numbers 1, 3, 5, 7, 9 beginning February 28, 2003) ~~175~~250

e. Nonresident viatical settlement provider's initially licensed within 90 days prior to the renewal deadline of February 28 (December 1-February 28) are not subject to the renewal fee for that specific biennial renewal period referenced in paragraph (30)d. of this section.

(31) Business entity (insurance agency, § 1702(f) of this title):

Initial license (resident and nonresident) ~~75~~100

a. Resident license renewal (due biennially February 28 in even years beginning February 28, 2004) ~~50~~100

b. Resident business entity initially licensed within 90 days prior to the renewal deadline of February 28 (December 1-February 28) are not subject to the renewal fee for that specific biennial renewal period referenced in paragraph (23)b. of this section.

c. Nonresident license renewal (due biennially February 28 in odd years beginning February 28, 2003) ~~75~~100

d. Nonresident business entity initially licensed within 90 days prior to the renewal deadline of February 28 (December 1-February 28) are not subject to the renewal fee for that specific biennial renewal period referenced in paragraph (23)d. of this section.

(32) Vending machine, each year ~~50~~100

(33) Examination of insurer, see § 322 of this title.

(34) Form, advertising and/or rule filings for each insurance policy or annuity contract or application ~~100~~150

(35) Bail agent, initial and renewal

Bail agent ~~100~~200

(36)a. For initial licensing of a discount medical plan organization: 500

b. For renewal of discount medical plan organization license: ~~100~~250

(37) Limited lines travel insurance producers (that are registering travel retailers under chapter 17B of this title):

a. For initial licensing of a limited lines travel insurance producer: 1,000

b. For renewal of a limited lines travel insurance producer license: 500

c. Licensing periods, renewal dates and appointments for limited lines travel insurance producers are subject to paragraph (23) of this section.

Section 2. Amend § 714, Title 18 of the Delaware Code by making deletions as shown by strikethrough and insertions as shown by underline as follows:

§ 714. Expenses and fees for form and rate filings.

In addition to a filing fee of $~~50~~150, the expenses and fees of the Department of Insurance for the review and determination of a form and rate filing by an insurer shall be assessed to and paid by the insurer and shall include the reasonable and proper expenses of the Commissioner and the Commissioner's examiners and assistants, including expert assistance contracted for by the Commissioner. Such insurer shall promptly pay the form and rate filing review expense upon presentation by the Commissioner or the Commissioner's examiners of a reasonably detailed written account thereof.

Section 3. Amend § 4802, Title 18 of the Delaware Code by making deletions as shown by strikethrough and insertions as shown by underline as follows:

§ 4802. License required of insurance premium finance companies.

(a) No person shall engage in the business of financing insurance premiums in this State without first having obtained a license as a premium finance company from the Commissioner, unless such person is exempted from obtaining such a license pursuant to § 4810 of this title. The fee for such a license shall be the sum of $~~300~~ 500 per year which license shall be valid until the 1st day of January at which time it may be renewed for a full year and every year thereafter provided that the licensee shall have paid the said annual license fee of $~~300~~ 500 and shall otherwise qualify for a license hereunder. All fees for licenses hereunder shall be paid to the Commissioner.

SYNOPSIS

This bill implements across-the-board increases to the filing fees associated with Department of Insurance filings, including for insurer Certificates of Authority, producer and adjuster licenses, annual statement filings, and rate and rule filings.